

E. Heavy Intelligence Demands Versus Limited Resources

135. Some of the developments which occurred in the USIB during this period highlighted the increasingly difficult problem of achieving a reasonable balance between the rapidly expanding intelligence requirements and the rising costs in manpower and resources to meet them. As the intelligence targets continued to grow in number, size, complexity and diversity, the collection, processing and analysis of the essential information required for estimating the threats to the U. S. national security placed heavier demands on the personnel, facilities, skills and other resources of the intelligence community. Whether the additional targets involved weapons systems, production plants, research and development, order-of-battle, hostile intelligence operations or policies, plans and intentions, the means and methods for intelligence exploitation generally necessitated the development of new, expanded or additional resources with the consequent increases in costs. The extent to which these added resources could be made available to the intelligence community, however, was increasingly limited by the needs of other Federal programs such as the war in Indochina and the Great Society

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Program of President Johnson, as well as by continuing inflation.

The following chronological summary of some of the problems faced by the DCI and USIB in dealing with this requirements-versus-resources issue will indicate the nature and variety of the Board's deliberations on this subject.

136. President Johnson at the beginning of his administration had issued a basic directive to assert control over Federal programs and their costs as indicated in paragraph 2 of this Volume. Mr. McCone in turn had brought this Presidential directive to the attention of USIB members, emphasizing that the intelligence community must work together to accomplish its functions at minimum cost. The Chairman of USIB also stressed that committee chairmen had definite responsibilities to carry out the President's instructions. In addition, the DCI in a January 1964 Board meeting had emphasized the requirement that any recommendation for a new or expanded intelligence program, project or installation must be accompanied by an estimate of the additional cost involved, and this instruction had been transmitted to all USIB Committee Chairmen. 193/ As also indicated in paragraph 3 of this Volume, this directive was seldom carried out to the extent or in the manner required, largely because of the general inability or reluctance

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25X1 of the responsible intelligence agencies to provide meaningful estimates. Committee  
Consequently USIB / recommendations usually identified or specified the substantive intelligence information required, while appraisals of the cost effectiveness of particular programs, systems, projects or vehicles to meet those requirements were largely conducted by the National Intelligence Program Evaluation Staff reporting to the DCI as a basis for his consultation with the heads of responsible departments and agencies.

25X1 137. One of the first Board discussions during this period involving issues related to requirements and resources occurred at the 5 February 1964 meeting when the State Member said that his department had received a number of [ ] requirements for augmented facilities, but he did not have knowledge of overall [ ] needs. He noted that some 25X1 of these requests were in conflict with other USIB requirements, and he felt the need of a better system for establishing relative priorities in these cases. Mr. McCone indicated that these problems probably related to Defense Department actions on the [ ] budget. Noting his 25X1 responsibilities in the matter, the DCI stated he would discuss the overall [ ] problem with appropriate Defense officials. The Acting Air Force 25X1 Member said that the Secretary of Defense had made his decision on

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[ ] augmentation over the next two years, and although this information was available to the intelligence community, he would be willing to arrange a briefing for State personnel. At the Chairman's suggestion, it was

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judging the relative importance and priority of U.S. intelligence requirements for various types of overseas installations and support. 194/

138. In March 1964 the USIB began a review of the NRO program and plans for improved satellite reconnaissance systems on the basis of a briefing by the Director of the NRO. After reviewing the current capabilities  Dr. McMillan described improved or advanced systems which were being studied. One of these was a study of what could be done with a large booster for a high resolution search system. Another was a preliminary

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experiments and studies. The Director of NRO concluded his briefing with a description of measures to reduce vulnerability of reconnaissance satellite systems to outside interference. 195/

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139. At a subsequent Board meeting in July 1964, Mr. McCone introduced the subject of intelligence requirements for photographic satellite collection by referring to the above NRO briefing as well as the consideration by USIB in April 1963 of divergent views on this subject in an unsuccessful effort to update the original 1960 requirements paper.\* The DCI posed the question of whether the Board should propose parallel development of a number of systems or place priority on one. He listed

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could be made to the DCI and the Secretary of Defense. After extensive discussion, the Board agreed that COMOR should study the problem and furnish its recommendations to USIB as soon as possible regarding long-range intelligence requirements for satellite photographic reconnaissance

\*See paragraphs 74-79, Section C, Volume III.

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from the standpoint of required input to the intelligence inventory. 196/

140. The USIB at its 29 July meeting considered the COMOR report in response to this Board action. Taking account of an attached analysis by NPIC on the extent to which the essential elements of information on major problems could be met by improved resolution and quality of photography, the COMOR report conclusions began by stating that intelligence requirements for search and surveillance required a satellite photographic capability for complete area coverage of the Sino-Soviet Bloc with a resolution permitting interpretation of objects between

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development must be established, the second capability should have priority. With respect to the priority stated in (b), COMOR (except the CIA Member) believed that in view of the existence of a search and surveillance capability in KH-4 and KH-7, the most urgent need was to

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had recommended research and development on [REDACTED]  
over the next six months as a basis for further discussions. After the  
Director of NRO stated it was very helpful to have these firm statements  
of current USIB requirements, the CIA Deputy Director, Science and  
Technology, asked whether, in view of the Board interest in high resolu-  
tion, the requirements should [REDACTED]

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Mr. McCone responded that an effort should be made to find out what the  
recommended improvement would cost before going further, as he was  
becoming increasingly allergic to expressions of requirements which did  
not bear a price tag. After further discussion the USIB approved as guidance  
to the NRO the conclusions and recommendations as submitted by COMOR,  
subject to deletion of the priority statement in (b) thereof as proposed by  
Mr. McCone, and to reservations expressed at the meeting by the  
Chairman and DIA Member of USIB concerning certain COMOR conclusions

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the Board noted that, at its request, the Director of NRO would have  
studies on the use of TITAN III for both general search and pointing systems  
brought up to date and presented to USIB. 197/

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141. Another program review considered by USIB in March and April of 1964 concerned a CCPC report regarding intelligence collection on the Soviet ABM program which was based on a Task Force study of this subject in light of revised GMAIC requirements of 1 October 1963. After highlighting certain aspects of the problem, the CCPC in summary

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considered. CCPC indicated that recommendations (a) through (d) would either involve no additional costs, could be implemented by reprogramming

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costs within already funded resources, or in one case would involve a

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various high performance drone projects which might be applied to intelligence collection against the Soviet ABM system . 197a/ In January 1965 status reports on measures taken or programmed to implement these USIB-approved recommendations submitted by CIA, DIA, NRO and NSA were circulated to the Board and referred to CCPC for review and comments. The CCPC

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response in March 1965 attached a summary statement of the status of and prospects for relevant projects and programs reported by the agencies. CCPC noted in essence that implementation of the approved recommendations had not yet resulted in any reliable operational technical capability for collecting data on the Soviet ABM program, while estimates for developing various techniques ranged from mid-1955 to mid-1957 and beyond. CCPC proposed to make a study in more depth of other approaches, and recommended that USIB note this status report, which the Board did at its 24 March meeting. 197b/

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164. Mr. McCone, as indicated in many of the examples in this and other sections, was frequently the most informed and vigorous spokesman at Board meetings with respect to the program management and budget aspects of the recommendations presented. He often cited the views of the President, Secretary of Defense or

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other high officials regarding such aspects. He also looked to his National Intelligence Programs Evaluation Staff to advise and assist him in assessing intelligence requirements and resources, as well as senior CIA officials who had responsibilities related to particular programs or projects. While recognizing all of these difficulties and deficiencies as evidenced by these examples, Mr. McCone laid the essential groundwork for the issues of intelligence requirements versus limited resources to be given due consideration in the deliberations of the USIB.

165. At the 385th USIB meeting on 28 April 1968, Mr. McCone noting that this was his last meeting as Chairman of the Board expressed his sincere thanks to the members and the service intelligence chiefs for their support and cooperation during his tenure as Chairman. He also said that he particularly wanted to register his appreciation to the USIB staff members from the various member agencies who had done such outstanding work in support of the Board and the Chairman. Mr. McCone concluded by commenting that his work with the USIB had been a most gratifying and rewarding experience.

166. The Board then unanimously endorsed the NSA Member's expression of sincere regret at Mr. McCone's departure. General Blake expressed his and the Board's deep appreciation for the

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outstanding service Mr. McCone had rendered as Chairman of the USIB and for the guidance which he had given to the entire intelligence community.

167. Speaking as Chairman of the Board of National Estimates and as a long time associate of the USIB and its predecessors, Sherman Kent expressed his appreciation for the great care and attention which Mr. McCone had given to National Intelligence Estimates. Mr. Kent concluded by expressing his sincerest thanks to Mr. McCone for his highly successful effort to maintain and improve the standing of the National Intelligence Estimate as an institution. 221/

168. The following USIB meeting on 5 May 1965 was chaired by the new Director of Central Intelligence, Vice Admiral William F. Raborn, Jr., USN (Ret.).

\* \* \* \* \*

169. In retrospect this historical account amply demonstrates that the United States Intelligence Board during this September 1958 to April 1965 period performed a generally effective and most useful role in advising and assisting the Director of Central Intelligence as the



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intelligence advisor to the President and the National Security Council and as the coordinator of U.S. foreign intelligence activities. While these individual responsibilities were assigned personally to the DCI, the USIB provided him a valuable forum where on a regular basis he could both obtain essential information and views from the heads of all the intelligence agencies, and give them personally and directly the benefits of his knowledge and guidance based on his activities at the highest levels of the government. The frequent USIB meetings constituted a valuable and effective means for the DCI to establish a close working relationship with the heads of all the agencies (other than CIA) which he was charged with coordinating but over which he had no directive authority or control.

170. The principal product and most important function of the intelligence community was the preparation of National Intelligence Estimates and the Watch Reports for the President, the NSC, the Joint Chiefs of Staff and other senior policy makers, planners and operators. Experience with the predecessors of the USIB had shown that the final decision on the content and judgments of these estimates and reports must be assigned to the DCI personally. It was also found equally essential that these documents be prepared

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with the full collaboration of the agencies represented on the USIB, and that they include a statement of any substantially differing opinion of a Board Member or a service intelligence chief. Since each of these other intelligence agency heads had access to the head of his department or agency who sat on the NSC or JCS, it was clearly preferable that these dissenting views be presented in a single document for consideration by all members of the NSC and JCS rather than a unilateral presentation by one of these members at the Council or Chiefs meeting. In addition, discussion of these dissents in USIB meetings helped to sharpen and highlight the basic differences involved.

171. With respect to the other functions assigned to the USIB under the Chairmanship of the DCI, the USIB Committee structure was the primary means through which the Board discharged these coordinating duties. As indicated in this history, the USIB relied heavily on certain of its committees for reports and recommendations on the more significant or serious issues which arose regarding intelligence policies, programs, objectives, requirements, priorities, security standards and practices, and foreign liaison. When and as approved by the Board, these recommendations were assigned to the various committees and agencies responsible for implementing

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them. Throughout this six and one-half years period, the USIB Committees which reported and provided support to the Board most frequently were, in approximate order, those dealing with SIGINT, overhead reconnaissance, guided missiles and astronautics, atomic energy, the watch function, critical collection problems, and security. By far the most significant contributions to the intelligence effort performed by many of these committees were to assist the DCI and USIB in establishing policies, objectives, requirements and priorities to guide the most important and critical intelligence programs and projects. Very valuable reports were submitted to USIB with respect to security standards and practices especially for protecting intelligence sources and methods, and to the arrangements with foreign governments on intelligence matters. As described in the foregoing section, the USIB Committees were not very effective in appraising intelligence requirements in relation to resources for many of the programs until Mr. McCone placed such emphasis upon this problem that a useful basis was laid for development by future DCIs and USIBs. As to the other committees remaining after the 1962 review, the majority of them were able generally under existing USIB policies and guidance to achieve effective

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coordination within their respective spheres through agreement by the members, while reporting infrequently or on an annual or periodic basis to the Board. With the USIB Committee structure covering most of the intelligence fields, the Board found that there was relatively little need for the preparation of ad hoc studies and reports.

172. While subsequent Directors of Central Intelligence have used the United States Intelligence Board in varying ways and for various purposes, they have so far found it to be of real service to them in providing the foreign intelligence required for the national security.

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CENTRAL INTELLIGENCE AGENCY  
Directorate of Intelligence  
15 November 1971

INTELLIGENCE MEMORANDUM

European Community Inches Toward More Political Unity

Summary

The European Community has now had about a year's experience with a system of consultations on foreign policy agreed to by the chiefs of government at The Hague in December 1969. The results have not been spectacular. This was perhaps to be expected given the timid approach of the Six to the question of the institutions required. Only the prospect of British participation persuaded some of the Six to agree to such consultations, and there is still a strong "waiting-for-London" atmosphere surrounding the issue. For some time to come the impact of the community in world affairs will derive more from its collective economic weight than from the nascent "coordination" of foreign policies.

Nevertheless, the Six have an established routine of regular and frequent meetings on foreign policy. Their representatives in other countries are acquiring the habit of mutual consultation. The consultation framework is being used more and more on an ad hoc basis to discuss timely issues. On the other hand, there is no permanent supporting organization, and it is generally recognized that the consultation process also suffers from tenuous links to public opinion and parliamentary procedures. These questions are now part of a more general debate taking place in the press, the various "European" lobbying groups, and the European

Note: This memorandum was prepared by the Office of Current Intelligence and coordinated within CIA.

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Parliament over how to reinforce the institutions of the entire European integration movement. Interest in Europe's future political organization is certain to become livelier with signature of a UK accession treaty later this year and a summit meeting of the present and prospective members likely soon thereafter.

Indeed, the coincidence of the community's enlargement, movement toward East-West detente, and efforts to forge a united response to recent US economic measures suggests to many the need for a decision-making procedure on political matters. Prime Minister Heath--at the Zurich ceremony in September commemorating Churchill's 1946 "United States of Europe" speech--called for a common European foreign policy, for defense cooperation, and for democratically based institutions. Britain will presumably attempt to further these goals in the enlarged community. Their achievements will depend on how some basic questions are answered: How rapidly should integration entail sacrifices of national sovereignty? What are the advantages of detente in relation to West European unity? How compatible is a "European identity" in political and defense matters with reliance on the US as the ultimate security guarantor?

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1. The Hague summit meeting of the Six at the end of 1969 set the stage for negotiations to enlarge the membership of the European Communities. It also opened the way for "progress in the matter of political unification, within the context of enlargement." The linkage between the two issues was not fortuitous. An earlier attempt at political unification among the Six, by the so-called Fouchet Committee set up by the Bonn Declaration of July 1961, had failed. France's partners were unwilling to accept an arrangement which, in the absence of the British, would have effectively confirmed the predominant political role of Paris. They also feared that the EEC, EURATOM, and the Coal and Steel Community might be undercut.

2. The prospect of the community's enlargement has now enabled the Six to avoid repeating the doctrinal disputes of the Fouchet area. Because of the growing influence which the community is assuming globally they have found it advisable to abandon the old forensics and instead to try to raise the level of their political responsibility to match that of their de facto power. It is evident that in jointly taking up such problems as the Middle East, East-West relations in Europe, or the Mediterranean, the Six are aware both of the implications of developments in these areas for the community as a whole and of the potential for common action.

3. Although the national interests of the members will tend to diverge for an indefinite period, this may give them more reason to seek a forum where each can influence the others. Also, trade and economic matters--as in the case of EC-US relations--clearly have political consequences that are outside the three communities' competence, and call for general political debate.

Consultations on Foreign Policy

4. Following the Hague summit, a group of senior officials from the Six met under the chairmanship of

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Etienne Davignon, Director General for Political Affairs at the Belgian Foreign Ministry, to draw up a report for the foreign ministers in implementation of the Hague decisions. The report was finally adopted in October 1970. Its stated goals: to "assure...better mutual comprehension on the major problems of international politics" and to promote the "harmonization of points of view, the concerting of attitudes and, when it seems possible and desirable, common actions."

5. Meetings of foreign ministers (or chiefs of state under extraordinary circumstances) are scheduled every six months. Preparations for these sessions are entrusted to a committee of foreign office directors for political affairs, which meets at least quarterly and which can establish expert working groups on particular problems. In addition, ambassadors of the Six accredited outside the community are invited to consult among themselves on problems of common interest.

6. The role of the EC Commission in these consultations is vague. Its opinion is invited when the consultations touch on activities of the Communities. An informal meeting of the foreign ministers with members of the political committee of the European Parliament is called for twice a year. The EC Council president reports to the Parliament once a year on the progress achieved in unification. Finally the foreign ministers are to prepare a general report, by November 1972, evaluating the results of their efforts.

7. Britain and the other candidate countries for EC membership do not participate in the meetings of the Six. They are provided "information that is likely to interest them" on the consultations of the directors' political committee. Following ministerial-level meetings, the four applicants are told of the results of the deliberations. Working procedures have developed along the following lines. Once the ministers have agreed on certain topics for discussion, the political directors decide on the terms of

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reference and assign various aspects of the problem to particular countries. Initial country papers are then discussed within a working group of experts drawn from the respective foreign offices. The political directors either accept the papers or send them back to the experts to iron out remaining differences. The ministers have discretion to give the studies whatever degree of official sanction they deem appropriate.

#### The Middle East

8. The Six have thus far dealt with two foreign policy problems in some depth, the Middle East and a Conference on European Security. The Arab-Israeli dispute in Middle East caused the greater controversy. It was obvious from the beginning that there were serious differences between France, on the one hand, and the other five, in varying degrees, on the other. The latter were particularly concerned not to leave an impression that France would receive a mandate to speak for them in the Four Power talks in New York. Nevertheless, the Six felt they could not shirk discussion of one of the more burning policy issues and one on which the Europeans themselves have long felt they were remiss in not asserting Europe's interests "with one voice."

9. Because of known differences, the Six deliberately excluded from the initial phase of consultations several of the touchiest topics. These included the question of Israel's withdrawal from occupied territory, its final boundaries, and procedures for establishing peace. At the Munich meeting of foreign ministers in November 1970, the Six agreed to discuss four issues: freedom of navigation of the Suez, demilitarized zones, Jerusalem, and the Palestinian refugees. Basic differences emerged between France and its partners. The French were by far the most sympathetic to the Arab side and eager to impose a settlement. This led to much pulling and hauling over language that threatened to go beyond the UN Security Council's Resolution 242.

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10. By last March the Dutch thought the consultations had gone far enough and the Germans said they were "thoroughly frustrated" with the project. The Italians openly questioned the sense of trying to arrive at a common position which could have little, if any, influence on the Arabs and Israelis. The French, disappointed by the failure to achieve a greater measure of agreement, began to stress the "educational value" of the exercise.

11. Largely because of external circumstances that weakened opposition to France's tactics, the Six were able two months later to agree on a watered-down position paper. Secretary of State Rogers' press conference in March was apparently read as an indication that the US was no longer opposed to outsiders suggesting "solutions" to the parties. The contrast between Egypt's reply to UN mediator Jar-ring's questionnaire and the negative response from Israel was cited by a French official as having made a compromise paper possible. An Israeli diplomatic and press campaign against the efforts of the Six to coordinate Middle East positions backfired and ended in stiffening their resolve. According to a German official, the foreign ministers had no choice but to reach some sort of agreement.

12. The paper included a reference to the disputed French-language version of Resolution 242: withdrawal from "the occupied territories," instead of just "occupied territories." Controversy was not long in breaking out again. Despite an understanding that the permanent representatives of the Six at the UN would make a joint report to U Thant on the community's deliberations, the French took on this role by themselves. The reaction of France's partners was "furious." For its part, Paris was scarcely less displeased when German Foreign Minister Scheel during a visit to Israel in July implied that the Six were in less than full agreement and that the position paper was still subject to the interpretation of the member states.

13. Despite the skepticism resulting from these fiascoes, the community members decided in July to continue their study of the Middle East. Work is now going forward on the possible elements

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of a Middle East peace settlement and the juridical guarantees it should contain. Differences among the Six on these topics are reported to be diminishing. Although the Italians and Dutch have continued to oppose the production of anything that might be labeled an EC paper, the Dutch have recently said that they feel increasingly uneasy in this position.

14. One proposal coming out of the Middle East consultations is for the community to undertake an aid program to ameliorate the Palestinian problem. But the major value of the consultations has been that the five have learned a good deal about problems, such as refugees and Jerusalem, which their foreign offices had not hitherto considered deeply. The US Embassy in Bonn says that the Middle East consultations marked another stage in German readiness to "speak out less self-consciously if still modestly." The five were also made aware of the difficulties of coordinating foreign policy when there are no rules for decision-making and no permanent staff to aid the procedure. At the same time, the consultations demonstrated how difficult it is to back out of an implied commitment to reach some sort of agreement in the name of "European unity," regardless of the institutional framework.

#### Conference on European Security

15. In the early stages of their experiment in foreign policy coordination, the Six agreed to consult on East-West relations and the implications of a Conference on European Security. Despite the obvious immediate interest of the members in this question, the initial phase of their consultations failed to produce a formal paper. The failure was probably due less to profound differences of attitudes than to the awareness of France's partners that, because of the NATO consultations, they need not make concessions to Paris in order to have their voices heard.

16. Although the Six had agreed at the beginning to avoid duplicating NATO's work, much of their discussion prior to the June NATO ministerial

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session in Lisbon came to revolve around two questions under debate in NATO. These were the form a Conference on European Security might take and the nature of preparations for it. The EC consultations gave the French another forum in which to advocate their special ideas on how to proceed to the desired conference. In May the French characterized the consultations as "not very satisfactory," mainly because the Six were not prepared to take a more "positive" view of a security conference. Since then, several of France's partners have shown sympathy for the French proposal to hold a conference at the ministerial level in three stages. And the French, in turn, have shown signs of agreeing to a long period of careful preliminary examination of the procedures and substance of a Conference on European Security.

17. The Six have not been able thus far to reach a common position on their objectives at a Conference. They have, however, presented the foreign ministers with a paper on the interests of the Six in the fields of economic, scientific, and technical cooperation. The paper will in turn be presented for consideration in NATO. A further suggestion that the Soviet Union and the East Europeans be informed at the outset of the "special and separate" role which the EC would play in negotiations on these topics met with firm French opposition in October.

18. The issue of a security conference is certain to prove an even greater test of the effectiveness of the consultative mechanisms on the Six than the Middle East because their interests are more directly involved. They face a dilemma of how to reconcile the feeling of France's partners that the Community cannot approach the question of detente in disarray with the opposition of the French to a "bloc" approach. The French, in line with their policy of de-emphasizing community institutions, oppose representation of the Commission at a security conference. The Dutch, at the other extreme, favor a community presence, despite misgivings that too much coordination by the EC could interfere with discussions in NATO and strain ties with the US.

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19. Basically, the security conference consultations among the Six reflect the usual difference between the French, who recognize the need for West European strength through unity but want to maximize their control, and the other five, who believe that the Six should adopt common positions.

#### The Mediterranean

20. Last May the Six agreed to consult on the Mediterranean, as distinct from the Arab-Israeli problem. The Germans and Italians, who initiated the discussions, had no exaggerated expectations. The German idea was to draw the Six into an analysis of the security situation in the area and to foster a coordinated community response in the economic and aid spheres. Bonn recognized that differences among the Six on the Mediterranean ran as deep as those on the Middle East, but sought a forum in which to make their opinions heard. Foreign Minister Scheel recently stated that Germany, as a member of the community, has "become a Mediterranean state, taking its place beside the traditional ones." "Because of this," he added, "it must help devise a Mediterranean policy which goes somewhat further than trade in citrus fruits." He might have added that the community has no such policy even on citrus fruits.

21. It seems doubtful that the political consultations will lead to any progress on the commercial front. The Six are reluctant to raise subjects directly covered by the community treaties and thus require active participation by the Commission. In their Mediterranean consultations the Six must also avoid military issues that would encroach on NATO prerogatives.

22. In July the French proposed that the study be organized into three parts--the Mediterranean Middle East, Mediterranean North Africa, and the European Mediterranean. This was agreed to, but the political directors of the foreign offices of the six failed to follow up when they met in September. They have since decided to have another try at framing a

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mandate for a Mediterranean working group. France has a much more restricted view than the others on how to approach the Mediterranean topic. According to a German official, Paris fears that countries such as Greece and Spain would be troubled if the EC were to consider their broad geopolitical role in the area.

### China

23. The first exchange among the Six on policy toward Communist China took place at the meeting of the political committee on 21-22 September. Italy had proposed a special meeting, but the Germans consider premature any "in-depth" study of China policy by the Six and agreed only to include the topic in a larger agenda. Agreement to discuss China grew out of conflicting pressures on Bonn. On the one hand, there was the desire to put first things first-- i.e., relations with Eastern Europe and the Soviet Union. On the other, some of Germany's partners were anxious to begin more formal consideration of China policy and within Germany there was increasing criticism of Bonn's lack of a China policy. In any event, the discussions this fall were little more than restatements of known government positions on Chinese representation in the UN.

### Political Unification Working Group

24. In addition to the various groups of experts on specific substantive issues, the Six set up a group to monitor progress as a whole and to suggest improvements in the consultation process. This group has not yet begun to discuss any particular proposals for European political integration. Instead, it has concentrated on procedures for consultations among ambassadors of the Six in other countries and in international organizations, and on guidelines for an "information" policy to keep the candidate countries and other non-EC states informed on the consultations.

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### Effectiveness

25. The consultations have so far served to clarify national foreign policy positions, not to change them. Whatever shifts are detectable in the attitudes of the Six vis-a-vis Israel and the Arabs, for example, are probably more the result of a gradual reassertion of the security and economic interests of individual West European countries than of a movement to assert these interests as a bloc.

26. Germany, although embarrassed by Israeli charges of a shift in Bonn toward the pro-Arab views of the French, is nevertheless not unmindful that a "European" policy toward the Middle East is a convenient cover for Bonn's own hope of improving relations with the Arab world. And Rome, especially skeptical of French intentions, is aware that the EC enlarges its role in the Middle East. All of France's partners are conscious of their joint potential for influencing French positions even though they are wary of French pretensions to "speak for Europe." The French themselves, to judge by their recent reluctance to push hard on further Middle East studies, seem impressed that EC consultations may restrain rather than bolster Paris' hand.

27. Regardless of the lack of concrete achievements to date, the consultations are now an established forum for considering foreign policy matters. Belgium has proposed that pre-trip "briefing consultations," such as the Germans gave their EC partners before Brandt's meeting with Brezhnev, become routine procedure. In October, the Six agreed to "harmonize" their views on Indian Prime Minister Gandhi's trip to Western Europe and, afterwards, to hear full reports on her visits to Brussels, Paris, and Bonn. As the consultations proceed, more topics find their way to the agenda. In October, the political directors discussed the problem of a successor for UN Secretary General and the Soviet proposal for a World Disarmament Conference.

28. Perhaps the biggest bonus of the consultations has been the realization that existing procedures fall short of the system required for real political unity. Foremost among the weaknesses is the

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absence of a standing secretariat to facilitate the consultative process and provide continuity between meetings of the experts and political directors. A Quai official, for example, recently remarked that it becomes increasingly difficult for his and other political directors to keep tabs on the political work of the EC as the number of projects before them increases. He suggested that a small secretariat might be helpful.

29. The infrequency of the meetings of the foreign ministers themselves--only twice a year--also weakens the existing system. So too does the lack of popular interest in or support of the proceedings. This defect could perhaps be rectified, in part at least, if a more meaningful role were given the European Parliament. Finally, the near total exclusion of defense questions from consideration detracts from the over-all impact. No link with NATO's "Eurogroup"--which does consider such questions--has been established.

30. The French official cited above ruled out "at the moment" the creation of a secretariat for political questions along the lines of the EC Commission. Others have maintained that an independent body like the Commission is required to begin a dialogue that would include the Council (representing the governments) and the European Parliament. In a recent series of articles criticizing community procedures but admiring the looser arrangements of the political consultations, EC Commissioner Dahrendorf admitted that the "only" things lacking in the latter were effective, common institutions, and binding rules of procedure.

31. The existing state of these consultations nevertheless accurately reflects the reluctance of the EC members to subordinate their individual national interests. The Dutch, for example, recognize the inadequacies of the current procedures but find some security in them. Dutch leaders have made it clear in parliamentary debates that they are not prepared to move further along this road until the British participate fully. Others share the Dutch

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fear that a "strengthening" of the consultative process might not only fail to contribute to the development of a political community but could reinforce the claims of France--or Germany--to speak for the Six.

On to a New Look for "Europe"?

32. While the foreign office consultations have been proceeding on their uncertain course, other developments bearing directly on a "political Europe" have also been taking place. Early this year, France gave indications it was willing to address the question of how to build Europe institutionally. In a press conference last January, President Pompidou said that an eventual European Confederation would have to have a "European government the decisions of which were binding on all the states belonging to it." The starting point could not be "technical organizations," but "a coming together of the national governments for the purpose of taking decisions valid for all." Pompidou foresaw three stages: first, the Council of Ministers as it presently functions; second, a Council where national ministers would be specially charged to handle European questions; and finally, a Council--composed of "European" ministers--with its own "executive agents" separate from the national administrations. Moreover, he added "the day there is a genuine European government, there must be a genuine European Parliament."

33. Pompidou's sketch of an eventual "European government" as well as the process of arriving at it has raised many questions. For example, the concept of a "confederation" capable of making binding decisions on its members might seem more descriptive, in fact, of a federal system.

34. In the intermediate stages, also, important questions are unanswered. What relation would the "European ministers,"--still members of their national governments--have to other national ministers? Is the role of the EC Commission to decline as the power of European ministers increases? Would the Council's "new look" encourage it to deal with

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problems outside the competence of the community treaties and thus further erode community principles? What assurance would there be, in the absence of any proposals to limit the intermediate stages by precise deadlines, that the deadlocks characteristic of the present Council system could be overcome? There is really no "constitutional" phase foreseen, and it is doubtful that a project so far-reaching in its implications as a "European government" could be properly launched by a diplomatic conference that envisages a parliamentary role only at the end of a very long road.

35. The ambiguities in Pompidou's proposals reappear in France's approach to the Communities. There is no doubt that Pompidou puts greater stress than his predecessor on the community framework, but he always has reservations. Political consultations are to be fostered, but with a minimal role for the Commission; monetary union is to be pursued, but ad hoc bodies such as the Committee of Central Bank Governors should implement important aspects; the Six should act jointly on the narcotics problem, but the work should be entirely separate from the EC structure.

36. Notwithstanding the reluctance of France to endorse "supranational" institutions, Pompidou's proposals do suggest, for the first time, that a dialogue with Paris on the issue may be possible. No matter how equivocal some of the language, France and its partners can now at least claim to be talking about the same thing.

37. Brandt spoke publicly in April of Germany's wish for a "European government, reasonably organized, which can take the necessary decisions in fields of community policy, the activities of which are subject to parliamentary control." Scheel proposed in a newspaper interview that "guidelines" be formulated for a discussion of Pompidou's ideas. And he foresaw an "organ independent of the national states" participating in decision-making, a strengthening of the European Parliament, and applying the "tested institutional principles" of the community treaties.

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38. Addressing the institutional question in the Belgian senate, Foreign Minister Harmel raised three questions that would have to be considered at each of Pompidou's stages: What powers should be transferred to community institutions? Will the states participate in wielding the powers thus transferred, and how? How will authority be divided among the European Parliament, the Council, and the Commission? Harmel suggested that powers might be transferred "issue by issue" and that these powers should be "delegated" before being transferred finally.

39. While willing to have France spell out its ideas more clearly, none of the Six has been willing to begin serious discussion of institutional questions until the community is in fact enlarged. An Elysée official conceded in July that Pompidou's thoughts on naming European ministers were still "very general" and were likely to remain so until the UK was in. When Pompidou met Brandt in June, he reportedly said that the institutional question should be discussed one day, but not just then, "in order not to complicate further Heath's task at home."

40. As British entry nears, Heath has seemed willing to talk more about a "vision of a Europe united politically." In September, Heath spoke of an enlarged community working out a common West European policy toward Eastern Europe and the Soviet Union, noting that in recent years "different countries" have sought to develop peaceful cooperation "by separate means." He also suggested the "inevitability" of progress toward a common foreign policy and increasing cooperation on defense.

41. In some respects Heath has echoed Pompidou's pragmatism. "We have to start from the principle that our European institutions will only grow and thrive in response to evident needs of policy...not from some theoretical blueprint but from the practical habit of working together." Unlike Pompidou, however, Heath has cautioned that "above all, institutions will endure only if they take account of the democratic basis of political power in all our countries."

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42. While government leaders have been chary of offering "blueprints" for political unity, various groups and individuals have vigorously tried to arouse public opinion to its importance. The need for a parliamentary role in the unification process and the desirability of a body independent of the member states at least to propose common policies have been stressed.

43. Two studies, still in process, may have some influence. Jean Monnet's Action Committee, which includes leaders from all political parties except the Gaullists in France and the Communists, has promised a report next year on the forms a political union of the EC might take. In addition, the EC Commission has appointed a group of experts to recommend community institutional reforms. The study was set up to examine the possibilities for re-enforcing the powers of the European Parliament in light of its recently acquired budgetary responsibilities. The Commission takes the view that budgetary competence involves legislative power and that this, in turn, requires a re-examination of the interplay of all community institutions. Using its right to propose amendments to the Rome Treaty, the Commission intends to submit its views to the Council in 1972.

44. The problem of institutional reform has also been considered in connection with the perennial proposal to elect the European Parliament. Representatives to the Parliament are still appointed by the respective national legislatures from among their members, even though the EEC and EURATOM treaties provided for eventual election by "direct universal suffrage." The Council has never acted on the draft convention submitted to it by the Parliament in 1960 which would implement an election procedure in two stages. Because of renewed pressure from the Parliament and agitation in the legislatures of several of the member countries, the Council has recently begun to debate the question again and to discuss it with the Parliament's political committee.

45. A priorities problem complicates the parliamentary election issue. Elections are opposed by some as long as the competence of the Parliament

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is so restricted; others reject greater parliamentary powers because the body is not elected. Moreover, popular election would probably have to entail a change to a bicameral system; the small states would be discriminated against in the existing Parliament if representation were proportional to population.

46. It is doubtful that the direct election question will come to a head before the Commission presents its over-all program of institutional reform. Nevertheless the Italians or Dutch could possibly decide before then to push national legislation providing for direct elections from among present members of the respective national parliaments. In any case, it is now generally acknowledged by all save the Gaullists that parliamentary elections and a greater parliamentary role must be dealt with soon.

#### Summit Talks

47. The Hague summit in 1969 demonstrated that, at the present stage of the European integration movement, political decisions to launch major new initiatives must still be taken in the highest level "inter-state" forum. Since last May when sharp divergencies over monetary policies developed within the community after the German and Dutch floated their currencies, demand for another summit meeting has steadily increased. On 26 September, Scheel formally proposed a summit of the enlarged EC to "take decisive steps to further the cause of European unification and to fix new guidelines for the community's internal development and foreign relations and for political cooperation among the community countries." The proposal was accepted in principle by the foreign ministers of the Six and the four applicants at their meetings in Rome on 5-6 November.

48. It seems clear that there will be some discussion of institutional problems at such a summit. Bonn, in particular, appears committed to discussions. Although all the participants may well emphasize--as did Scheel in a recent article in Foreign Policy--that a step-by-step pragmatic approach rather than

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a "doctrinal" one is called for, one man's pragmatism may be another's doctrinalism. It is easy to see conflicts with France in a Bonn Foreign Office official's suggestions that a summit consider setting up a secretariat for the political consultations (it would be located in Brussels so that it and the EC Commission could "interrelate and reinforce each other" and the Commission could be represented regularly on the political committee as well as at ministerial political meetings). The official also proposed that the UK, Denmark, Ireland, and Norway participate fully in all consultations during the interval between their signature of accession agreements and full membership.

49. While the Six generally agree that the summit conference is the proper instrument for setting in motion new common initiatives, summitry has several limitations. Commissioner Spinelli recently pointed out that as currently envisaged the summit conference has no institutional support. Without some continuing machinery, declarations of intent at the summit are likely to become diluted--as were the proposals for economic and monetary union--and reduced to "inter-state pseudo-solutions." Spinelli's suggested approach is to combine proposals for popular election of the European Parliament with a reaffirmation of the right of initiative of the Commission and an institutionalization of the summit conference as an over-all guidance mechanism. Although this line of argument comes from a leading and long-time European "federalist" and is doubtless too advanced for most of the European government leaders to support at this time, Spinelli has at least defined the ground that needs to be covered before "European" institutions are reached.

50. The motives for continued political development of the community are clear. Internally, the decision-making processes, slow and cumbersome in a community of six, are likely to be even more so in a group of ten. The monetary crisis has demonstrated the fragility of a unity expressed primarily in the elimination of customs barriers and a common external tariff. A true economic and monetary union

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would need the capacity to deal with regional, social, environmental, industrial and research, transportation, energy and agricultural policy. Moreover, with the community acquiring more financial resources of its own, it will need more efficient instruments to manage its fiscal, financial, and budgetary affairs. Also the need for political decision-making at the European level is seen as the only way to maximize Europe's influence in future dealings with the US and to safeguard Europe's interests in an era of East-West detente.

51. How far and how fast the Europeans proceed toward this sort of unification may depend on how they deal with the question of European defense. National responses to a lessened US military presence in Western Europe would be incompatible with a Europe otherwise attempting to unify its economic and foreign policies. The British and German governments are certain to encourage the development of European defense cooperation but the French are likely to remain cautious and even grudging. The most likely area for movement is in conventional arms, although Paris and London may come to see advantages in some "combination" of their nuclear deterrent forces. But a genuine European deterrent seems attainable only when the members are ready to commit themselves to greater political unity than they are now prepared to accept. They would also have to be certain that the deterrent would add measurably to their security and that the US would be willing to support it.

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